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THE LABOR MARKET REPORT TENNESSEE

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RAYBURN TRAUGHBER, COMMISSIONER

DATA FOR DECEMBER 1988

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NEW METHOD FOR MONTHLY ESTIMATION OF STATE EMPLOYMENT AND UNEMPLOYMENT

Beginning with January 1989 data, the Bureau of Labor Statistics plans to shift to a new method of calculating monthly employment and unemployment estimates for most states and the District of Columbia. To replace the current building block method, the Bureau plans to begin using regression models that will yield more precise estimates and that automatically adjust to structural changes in the economies of the various states.

These models use the Current Population Survey (CPS) of households, the Current Employment Statistics (CES) business survey, and Unemployment Insurance (UI) data in a more accurate and reliable manner. Over ten years of data from these sources have been collected to develop models that are resistant to the large random sampling errors persistent in the CPS, yet are flexible enough to reflect the individual features of each state's economy.

Each state will have two models, one for employment and one for the unemployment rate. In Tennessee, the employment model incorporates total nonagricultural employment from the CES survey. It also incorporates total agricultural employment, self-employed persons, unpaid family workers, and private household workers from the CPS.

The unemployment rate model uses UI claims to represent most of the unemployed, an employment-to-population ratio developed from CPS data to reflect both the business cycle and those unemployed not covered by UI, and an entrance rate to represent new entrants and reentrants into the labor force.

The CPS produces estimates of employment and unemployment that are reliable on an annual average basis. Annual average employment and unemployment will continue to come directly from the CPS. The annual average of any particular year will therefore be exactly the same under the new methodology as it would have been under the old methodology.

TENNESSEE SURPASSES NATION'S JOB GROWTH RATE

Tennessee's job growth will outpace the 14.2 percent growth rate anticipated nationwide, according to data contained in the Tennessee Employment Projections 1985–1995 publication recently released by the Research and Statistics Division of the Tennessee Department of Employment Security.

The comprehensive study of employment projections also reports Tennessee's nonagricultural employment is projected to increase 19.8 percent by 1995, which will create more than 367,000 new jobs for Tennesseans.

Almost two–thirds of all job openings by 1995 will be in the professional and technical; services; and production, operative, and maintenance occupational groups. The fastest growing occupational groups are projected to be in services, which will grow by 38.9 percent; sales and related occupations, up by 27.7 percent; and professional, paraprofessional, and technical occupations, which will increase by 23.9 percent.

Among the report's specific findings on occupations are these:

Approximately 69,675 new jobs will be available in professional and technical occupations. More than 11,735 jobs will be available for registered nurses; engineering positions will increase by 6,175; employment of medical technicians and technologists will increase by 5,705; and 4,780 new accountants and auditors will be needed.

An estimated 51,325 jobs will open up in clerical and administrative fields, with more than 10,745 secretarial openings.

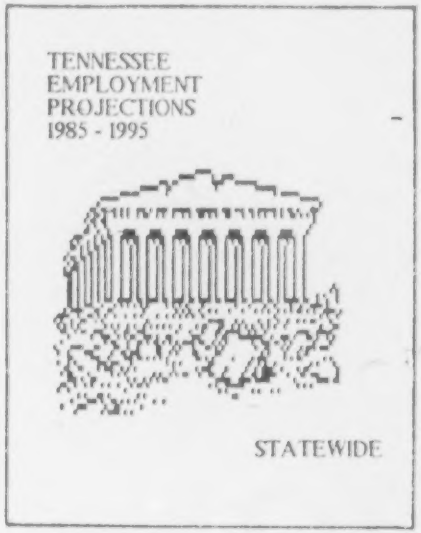
More than 104,350 jobs will become available in the service occupations, with some 57,050 openings in food and beverage occupations.

Production, operative, and maintenance jobs will create employment opportunities for 60,090 individuals with a demand for 11,550 mechanics, installers, and repairers.

The publication also covers the industrial trends projected to occur by 1995. A continuous shift from goods–producing to service–producing employment is expected. The most rapid growth is anticipated in the services and retail trade divisions, with projected growth rates of 34.5 and 34.2 percent respectively.

Employment in mining, construction, and manufacturing is expected to make up less than 30 percent of the state's total employment in 1995. The manufacturing of professional and scientific instruments is expected to be one of the most rapidly expanding Tennessee industries, which reflects the continued growth of the health services industry.

A copy of the above publication can be obtained by writing to the address on the back of this report or by calling (615) 741–3639.



TENNESSEE'S NONAGRICULTURAL EMPLOYMENT GROWTH DECEMBER 1987 TO DECEMBER 1988

Tennessee's employment growth in 1988 did not maintain the pace of 1987. Nonagricultural employment grew by only 0.8 percent from December 1987 to December 1988. Most sectors of the Tennessee economy have reflected the recent sluggishness.

Manufacturing sector jobs, which comprised 24.2 percent of all state nonagricultural jobs in December 1988, remained stable. This compares with a 1.3 percent growth rate from December 1986 to December 1987.

Two of Tennessee's major industries suffered employment losses. Mining employment is 500 (7.6 percent) lower than a year ago, and construction is down 3,700 jobs (3.6 percent). Mining employment has been falling steadily in recent years and is expected to continue the current trend.

Even though employment has grown over the past year in trade; services; government; transportation, communication, and public utilities; and finance, insurance and real estate, growth was slower than in recent years.

Trade employment experienced its worst year since 1982–83 with a growth of 0.8 percent from December 1987 to December 1988. This compares with a growth rate of 2.9 percent from December 1986 to December 1987.

This pattern is similar for services with a growth rate of 2.4 percent since last December, down from 6.2 percent from December 1986 to December 1987.

Finance, insurance, and real estate (FIRE) has been decreasing since August of this year. Employment in the industry increased by 1.0 percent since December 1987, compared to 3.6 percent form December 1986 to December 1987.

Employment in transportation, communication, and public utilities is faring better this year with an increase of 3.2 percent. This follows a 4.0 percent growth for 1987.

COUNTY UNEMPLOYMENT RATES

COUNTY	DECEMBER 1988	1987	COUNTY	DECEMBER 1988	1987
ANDERSON	5.9	4.5	LAUDERDALE	7.1	7.6
BEDFORD	6.3	6.1	LAWRENCE	12.8	11.1
BENTON	5.8	9.5	LEWIS	7.7	7.9
BLEDSOE	5.2	4.9	LINCOLN	4.9	5.9
BLOUNT	9.3	5.9	LOUDON	5.7	6.6
BRADLEY	5.0	5.2	MCMINN	7.4	6.8
CAMPBELL	11.9	11.9	MCNAIRY	8.4	11.1
CANNON	10.2	8.7	MACON	7.9	7.8
CARROLL	6.6	10.2	MADISON	5.5	7.1
CARTER	6.8	6.8	MARION	9.5	10.0
CHEATHAM	4.1	4.4	MARSHALL	5.8	8.9
CHESTER	5.3	6.7	MAURY	5.6	7.2
CLAIBORNE	7.3	8.4	MEIGS	15.7	9.1
CLAY	4.8	4.6	MONROE	7.5	7.0
COCKE	16.8	18.2	MONTGOMERY	6.9	7.1
COFFEE	8.1	6.8	MOORE	5.6	6.6
CROCKETT	6.1	9.1	MORGAN	6.5	8.6
CUMBERLAND	8.3	9.2	OBION	5.8	6.1
DAVIDSON	3.8	4.1	OVERTON	7.2	8.1
DECATUR	9.2	8.4	PERRY	5.2	8.7
DEKALB	9.3	8.4	PICKETT	13.4	15.2
DICKSON	6.3	6.5	POLK	10.4	16.3
DYER	7.5	8.2	PUTNAM	5.0	5.1
FAYETTE	6.7	8.1	RHEA	10.2	7.8
FENTRESS	9.7	11.1	ROANE	5.6	5.3
FRANKLIN	5.7	6.3	ROBERTSON	5.1	6.4
GIBSON	7.2	8.9	RUTHERFORD	4.5	4.8
GILES	7.3	8.3	SCOTT	11.3	13.3
GRAINGER	5.7	7.1	SEQUATCHIE	5.2	7.1
GREENE	8.4	11.7	SEVIER	16.5	19.5
GRUNDY	13.8	10.7	SHELBY	4.7	5.2
HAMBLEN	6.1	7.5	SMITH	6.1	7.1
HAMILTON	5.2	4.5	STEWART	7.5	7.6
HANCOCK	4.9	7.5	SULLIVAN	4.2	6.1
HARDEMAN	6.8	10.4	SUMNER	4.8	5.6
HARDIN	7.8	9.0	TIPTON	5.3	5.8
HAWKINS	5.1	4.8	TROUSDALE	4.0	5.9
HAYWOOD	7.7	10.4	UNICOI	6.4	12.4
HENDERSON	6.1	7.5	UNION	7.1	5.9
HENRY	8.3	14.4	VAN BUREN	9.3	7.6
HICKMAN	7.1	7.8	WARREN	16.1	7.0
HOUSTON	8.5	11.5	WASHINGTON	5.5	5.3
HUMPHREYS	11.9	13.7	WAYNE	9.2	9.0
JACKSON	7.9	6.0	WEAKLEY	4.1	5.4
JEFFERSON	6.1	7.5	WHITE	7.2	7.6
JOHNSON	19.0	12.1	WILLIAMSON	3.0	3.2
KNOX	4.8	4.4	WILSON	4.7	6.4
LAKE	10.9	11.8			

TENNESSEE CIVILIAN LABOR FORCE SUMMARY

(Not Seasonally Adjusted)

	December 1987				Revised November 1988				Preliminary December 1988			
	Labor Force	Employment	Unemploy.	Rate	Labor Force	Employment	Unemploy.	Rate	Labor Force	Employment	Unemploy.	Rate
U. S. 1/	120,206,000	113,679,000	6,526,000	5.4	122,639,000	116,314,000	6,325,000	5.2	122,120,000	115,978,000	6,142,000	5.0
TENNESSEE 2/	2,370,200	2,222,100	148,100	6.2	2,371,400	2,234,400	137,000	5.8	2,357,100	2,219,800	137,300	5.8
METROPOLITAN STATISTICAL AREAS												
CHATTANOOGA	209,500	199,100	10,400	5.0	215,800	203,600	12,200	5.7	215,200	203,900	11,300	5.3
JOHNSON CITY, KINGSPORT, AND BRISTOL	222,600	208,800	13,800	6.2	222,100	210,100	12,000	5.4	221,200	209,900	11,300	5.1
KNOXVILLE	283,200	265,600	17,600	6.2	282,300	265,400	16,900	6.0	281,000	262,300	18,700	6.7
MEMPHIS	455,200	430,200	25,000	5.5	454,200	431,000	23,200	5.1	451,400	429,300	22,100	4.9
NASHVILLE	522,900	499,000	23,900	4.6	511,200	489,400	21,800	4.3	509,700	488,800	20,900	4.1

1/ Error range for these estimates is plus or minus 0.2 percentage points.
2/ Error range for these estimates cannot be computed.

Tennessee's preliminary unemployment rate for December at 5.8 percent remained unchanged from November. This is four-tenths of a percentage point lower than the 6.2 percent unemployment rate of December 1987. Tennessee's unemployment rate remained higher than the national average which was 5.0 percent in December, down from the November rate of 5.2 percent.

On a month-to-month comparison, the major employment increases occurred in trade, up by 1,700 from November to December; transportation equipment, up by 700; and tobacco manufactures, up by 500.

Major employment decreases were experienced in government, down by 13,600, due to the fact that election poll workers were counted in the November survey; construction was down by 2,100; and services declined by 2,000. The losses in construction and services were attributed to seasonal factors.

Across Tennessee the unemployment rate went down in 42 counties, increased in 49 counties, and remained the same in four counties.

Williamson County continued to have the lowest unemployment rate in the state with a December rate of 3.0 percent, up from 2.7 percent in November. Johnson County, at 19 percent, had the highest unemployment rate which was down from the 33.1 percent recorded in November because of a temporary layoff.

STATEWIDE

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands) *

INDUSTRY	DECEMBER 1987	NOVEMBER 1988	DECEMBER 1988	Net Change DEC. 1987 to DEC. 1988	Net Change NOV. 1988 to DEC. 1988
TOTAL	2058.7	2089.4	2074.1	17.4	-16.3
Manufacturing	501.7	500.3	501.8	0.1	1.5
Durable Goods	245.9	248.1	250.3	4.4	1.2
Lumber & Wood Products	20.4	19.7	19.7	-0.7	0.0
Furniture & Fixtures	28.8	29.0	29.2	2.8	0.2
Stone, Clay, Glass, & Concrete	15.0	15.0	15.1	0.1	0.1
Primary Metal Industries	15.8	16.3	16.3	0.7	0.0
Fabricated Metal Products	40.2	40.3	40.3	0.1	0.0
Machinery, Except Electrical	37.4	38.1	38.3	0.9	0.2
Electrical & Electronic Machinery	36.8	38.2	38.1	1.3	-0.1
Transportation Equipment	33.6	31.6	32.3	-1.3	0.7
Instruments & Related Products	9.2	9.7	9.9	0.7	0.2
Miscellaneous Manufacturing	11.1	11.2	11.1	0.0	-0.1
Nondurable Goods	255.8	251.2	251.5	-4.3	0.3
Food & Kindred Products	39.6	40.3	40.6	1.0	0.3
Meat Products	8.2	8.8	9.1	0.9	0.3
Dairy Products	2.8	2.8	2.8	0.0	0.0
Tobacco Manufactures	2.2	1.1	1.6	-0.6	0.5
Textile Mill Products	23.9	21.6	21.8	-2.1	0.2
Knitting Mills	11.7	10.8	10.8	-0.9	0.0
Yarn & Thread Mills	3.1	2.6	2.6	-0.5	0.0
Apparel Products	66.1	61.7	61.7	-4.4	0.0
Paper & Allied Products	18.0	18.7	18.2	0.2	-0.5
Printing, Publishing, & Allied Indus.	33.6	34.2	34.2	0.6	0.0
Chemicals & Allied Products	37.2	37.5	37.5	0.3	0.0
Petroleum Refining & Related Indus.	0.9	1.0	0.9	0.0	-0.1
Rubber & Miscellaneous Plastics	24.5	25.3	25.1	0.6	-0.2
Leather & Leather Products	9.7	9.8	9.9	0.2	0.1
Nonmanufacturing	1555.0	1589.1	1572.3	17.3	-16.8
Mining	8.6	8.3	8.1	-0.5	-0.2
Construction	101.5	99.0	97.8	-3.7	-2.1
Trans., Communication, & Utilities	105.0	108.9	108.4	3.4	-0.5
Trade	489.8	492.0	493.7	3.9	1.7
Wholesale Trade	128.5	127.1	128.4	-0.1	-0.7
Wholesale Durable Goods	70.9	71.4	71.0	0.1	-0.4
Wholesale Nondurable Goods	55.5	55.7	55.4	-0.1	-0.3
Retail Trade	363.3	364.9	367.3	4.0	2.4
Building Materials & Garden Supp.	14.4	13.9	13.7	-0.7	-0.2
General Merchandise Stores	57.2	55.4	57.5	0.3	2.1
Food Stores	60.2	59.0	59.0	-1.2	0.0
Automotive Dlrs. & Serv. Stations	42.6	42.7	42.8	0.2	0.1
Apparel & Accessory Stores	20.0	18.4	19.2	-0.8	0.8
Furniture & Home Furnishings	13.9	13.7	14.0	0.1	0.3
Eating & Drinking Places	112.9	120.5	119.8	6.9	-0.7
Miscellaneous Retail	42.2	41.3	41.3	-0.9	0.0
Finance, Insurance, & Real Estate	102.5	103.5	103.5	1.0	0.0
Banking	27.8	28.6	28.8	1.0	0.2
Insurance Carriers	24.8	24.7	24.7	-0.1	0.0
Services	413.8	425.9	423.9	10.1	-2.0
Hotels & Other Lodging	27.5	30.7	28.8	1.3	-1.9
Personal Services	28.4	27.6	28.1	-0.3	0.5
Business Services	85.0	86.1	85.8	0.8	-0.3
Health Services	133.8	138.7	138.8	5.2	0.1
Hospitals	65.3	66.0	66.1	2.8	0.1
Government	335.9	352.8	339.0	3.1	-13.8
Federal	63.5	59.8	59.3	-4.2	-0.3
State & Local	272.4	293.0	279.7	7.3	-13.3
State	75.8	77.5	77.4	1.6	-0.1
Local	196.6	215.5	202.3	5.6	-13.2

*Data includes all full and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

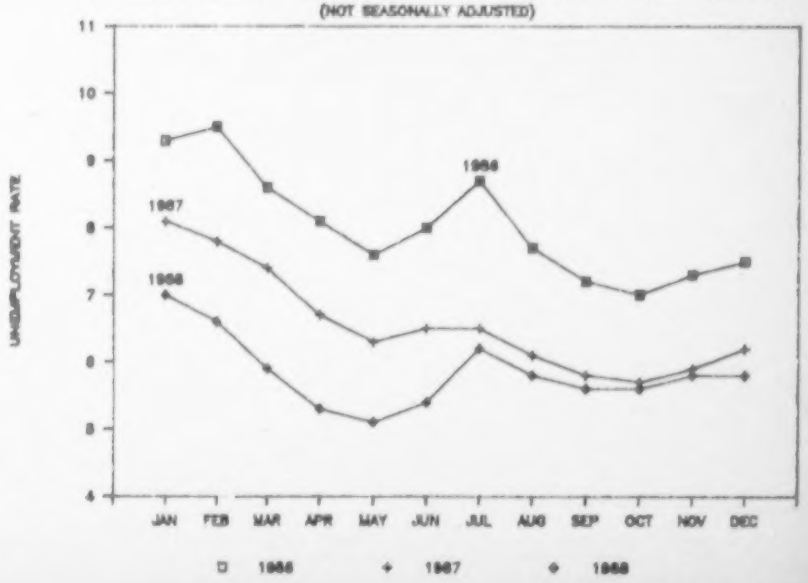
Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS

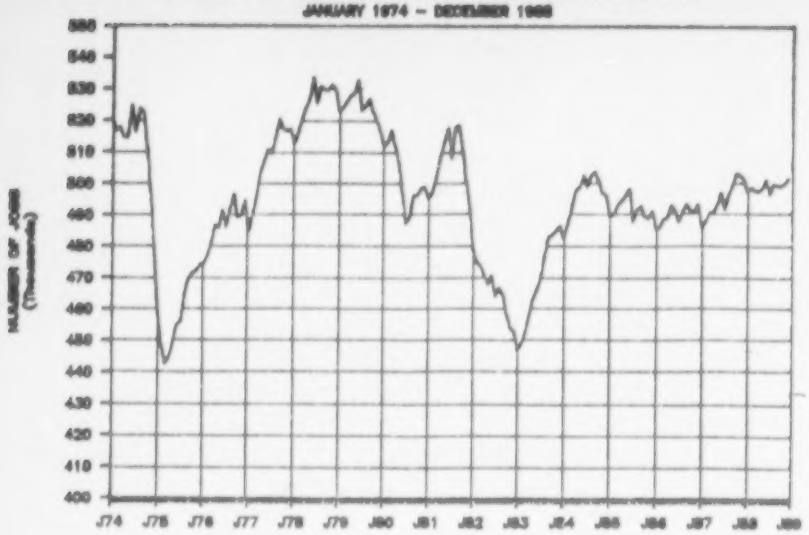
	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec. 1987	Nov. 1988	Dec. 1988	Dec. 1987	Nov. 1988	Dec. 1988	Dec. 1987	Nov. 1988	Dec. 1988
All Manufacturing	382.70	375.99	387.89	43.0	41.5	42.3	8.90	9.06	9.17
Durable Goods	415.51	395.64	411.35	43.6	42.0	43.3	9.53	9.42	9.50
Lumber & Wood Products	251.51	243.18	244.29	40.5	38.6	38.9	6.21	6.30	6.28
Furniture & Fixtures	298.75	304.51	305.76	41.9	41.6	42.0	7.13	7.32	7.28
Stone, Clay, Glass, & Conc.	573.48	552.48	571.69	47.2	47.1	46.5	12.15	11.73	12.29
Primary Metal Industries	507.92	498.67	515.58	43.9	43.1	44.6	11.57	11.57	11.56
Fabricated Metal Products	417.10	402.78	423.30	43.0	41.1	42.5	9.70	9.80	9.96
Machinery	411.10	393.23	412.73	44.3	41.7	43.4	9.28	9.43	9.51
Instruments & Related Prod.	383.46	363.79	381.50	42.0	42.4	43.6	9.13	8.58	8.75
Nondurable Goods	350.63	355.88	364.32	42.5	41.0	41.4	8.25	8.68	8.80
Food & Kindred Products	369.98	366.66	356.58	41.9	42.0	42.0	8.83	8.73	8.49
Textile Mill Products	309.47	297.88	298.33	44.4	41.2	40.7	6.97	7.23	7.33
Apparel Products	219.05	219.04	216.58	39.9	38.7	38.4	5.49	5.66	5.64
Paper & Allied Products	513.53	496.01	562.97	46.6	45.8	48.7	11.02	10.83	11.56
Chemical & Allied Prod.	474.03	499.80	496.70	42.4	40.7	39.8	11.18	12.28	12.48
Rubber & Misc. Plastics	455.79	455.10	493.00	46.7	42.1	43.9	9.76	10.81	11.23
Leather & Leather Products	251.82	252.33	264.32	41.9	39.8	41.3	6.01	6.34	6.40

TENNESSEE UNEMPLOYMENT RATES 1986–1988

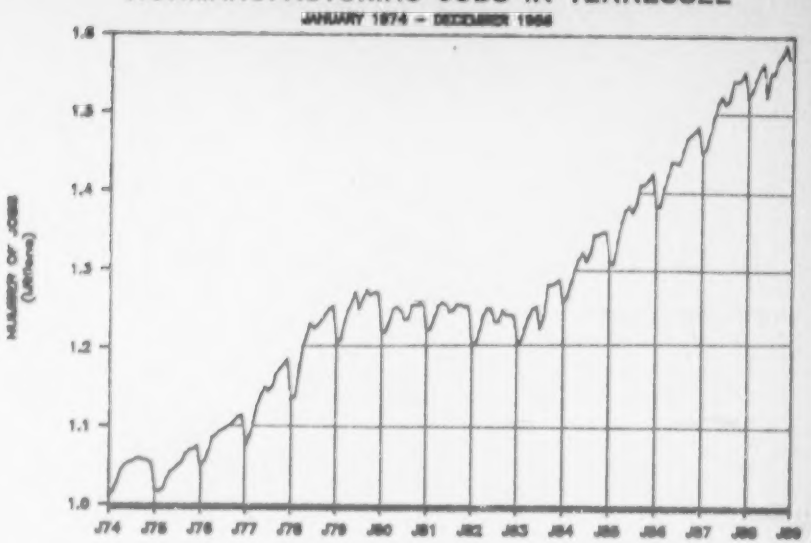
(NOT SEASONALLY ADJUSTED)



MANUFACTURING JOBS IN TENNESSEE



NONMANUFACTURING JOBS IN TENNESSEE



STATE UNEMPLOYMENT INSURANCE ACTIVITIES

STATE BENEFIT PROGRAM

CLAIMS	December 1987	November 1988	December 1988
Initial Claims	57,259	31,360	40,763
Continued Weeks Claimed	186,551	157,967	165,789
Nonmonetary Determinations	3,582	3,832	3,551
Appeals Decisions	1,066	1,097	1,097
Lower Authority	923	934	916
Higher Authority	143	163	181
Hearings-Other States	0	0	0
BENEFITS			
Amount Paid	$15,543,725	$14,140,521	$14,718,688
Benefit Weeks Paid	154,099	136,817	140,417
Average Weekly Benefit Amount	$ 102	$ 108	$ 107
First Payments	15,764	11,380	13,923
Final Payments	3,233	3,291	2,921
Average Weeks Duration	12	11	11
Trust Fund Balance	$492,553,170	$568,368,507	$567,184,583

FEDERAL BENEFIT PROGRAMS

	December 1987	November 1988	December 1988
FORMER FEDERAL EMPLOYEES:			
Benefits Paid	$621,799	$1,938,004	$1,627,762
Benefit Weeks Paid	3,622	12,026	10,003
Initial Claims	708	518	689
Continued Weeks Claimed	3,961	12,358	9,820
Appeals Decisions	11	10	13
FORMER MILITARY PERSONNEL:			
Benefits Paid	$170,368	$152,773	$157,465
Benefit Weeks Paid	1,273	1,063	1,103
Initial Claims	293	230	236
Continued Weeks Claimed	1,484	1,206	1,211
Appeals Decisions	10	3	5

CHATTANOOGA MSA

For the second month in a row, total nonagricultural employment at 196,200 reached a record level in the Chattanooga MSA. Manufacturing employment decreased slightly over the month to 46,700 with no industry reporting a change greater than 100. Nonmanufacturing employment increased by 400 jobs to 149,500 with the largest monthly increases reported in retail trade (+300) and federal government (+300). The largest yearly decreases in employment occurred in federal government (-2,000) and retail trade (-1,500). The largest employment growth over the year occurred in local government (+2,200) and construction (+1,400).

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands) *

INDUSTRY	December 1987	November 1988	December 1988	Net Change Dec. 1987 to Dec. 1988	Net Change Nov. 1988 to Dec. 1988
TOTAL	195.7	196.0	196.2	0.5	0.2
Manufacturing	47.0	46.9	46.7	-0.3	-0.2
Durable Goods	17.8	17.4	17.2	-0.6	-0.2
Lumber & Wood Products	0.6	0.8	0.8	0.2	0.0
Stone, Clay, Glass, & Concrete	1.6	1.2	1.2	-0.4	0.0
Primary Metal Industries	3.8	4.0	4.0	0.2	0.0
Fabricated Metal Products	4.0	3.8	3.7	-0.3	-0.1
Machinery, Except Electrical	2.4	1.7	1.7	-0.7	0.0
All Other Durable Goods	5.5	5.9	5.8	0.3	-0.1
Nondurable Goods	29.2	29.5	29.5	0.3	0.0
Food & Kindred Products	6.9	6.9	6.9	0.0	0.0
Textile Mill Products	12.4	12.5	12.4	0.0	-0.1
Knitting Mills	2.7	2.5	2.5	-0.2	0.0
Apparel Products	1.1	1.3	1.3	0.2	0.0
Paper & Allied Products	1.8	1.7	1.7	-0.1	0.0
Printing, Publishing, & Allied Ind.	2.2	2.2	2.2	0.0	0.0
Chemicals & Allied Products	3.7	3.6	3.6	-0.1	0.0
All Other Nondurable Goods	1.1	1.3	1.4	0.3	0.1
Nonmanufacturing	148.8	149.1	149.5	0.7	0.4
Mining	0.7	0.8	0.8	0.1	0.0
Construction	8.0	9.5	9.4	1.4	-0.1
Trans., Communication, & Utilities	8.8	8.5	8.5	-0.3	0.0
Trade	46.5	45.3	45.6	-0.9	0.3
Wholesale Trade	10.8	11.4	11.4	0.6	0.0
Wholesale Durable Goods	6.8	6.9	6.9	0.1	0.0
Wholesale Nondurable Goods	4.0	4.5	4.5	0.5	0.0
Retail Trade	35.7	33.9	34.2	-1.5	0.3
Finance, Insurance, & Real Estate	12.3	11.8	11.9	-0.4	0.1
Services	37.8	38.4	38.4	0.6	0.0
Government	34.6	34.8	34.9	0.3	0.1
Federal	10.6	8.3	8.6	-2.0	0.3
State & Local	24.0	26.4	26.3	2.3	-0.1
State	5.8	6.0	5.9	0.1	-0.1
Local	18.2	20.5	20.4	2.2	-0.1

Includes Hamilton, Marion, and Sequatchie counties in Tennessee and Catoosa, Dade, and Walker counties in Georgia.

* Data include all full- and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

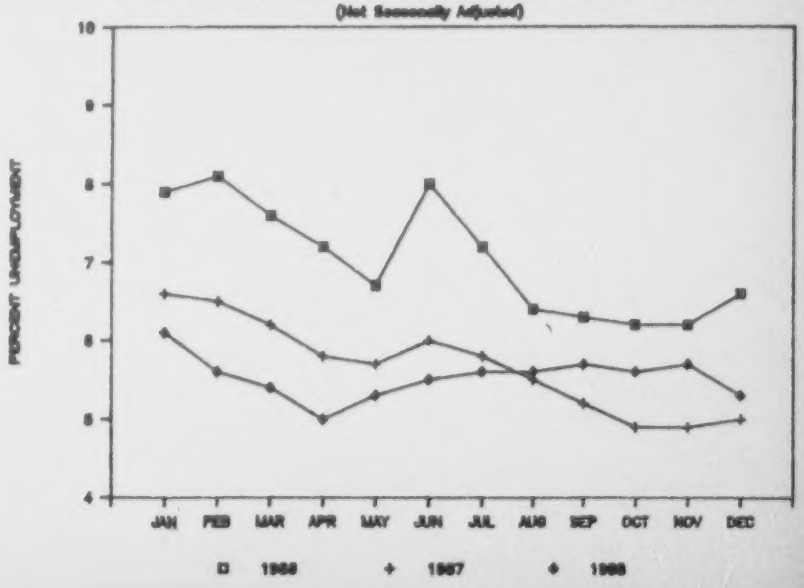
Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS — CHATTANOOGA MSA

	Average Weekly Earnings Dec. 1987	Nov. 1988	Dec. 1988	Average Weekly Hours Dec. 1987	Nov. 1988	Dec. 1988	Average Hourly Earnings Dec. 1987	Nov. 1988	Dec. 1988
All Manufacturing	343.05	345.59	344.44	43.7	42.3	41.7	7.85	8.17	8.26
Durable Goods	364.64	354.32	386.61	42.6	41.2	43.1	8.56	8.60	8.97
Stone, Clay, Glass, & Conc.	378.82	438.35	381.49	44.1	49.7	42.2	8.59	8.82	9.04
Iron & Steel Foundries	407.21	411.70	440.86	43.0	43.2	47.1	9.47	9.53	9.36
Fabricated Metal Products	446.31	404.21	493.45	44.9	40.1	44.9	9.94	10.08	10.99
Machinery, Except Elect.	440.13	492.57	551.46	41.6	42.1	45.5	10.58	11.70	12.12
Nondurable Goods	330.34	339.70	317.42	44.4	43.0	40.8	7.44	7.90	7.78
Textile Mill Products	305.90	317.55	327.13	47.5	45.3	46.6	6.44	7.01	7.02
Knitting Mills	230.22	238.00	227.95	39.9	39.8	39.1	5.77	5.98	5.83
Paper & Allied Products	528.40	463.13	497.00	48.3	45.9	49.9	10.94	10.09	9.96
Chemicals & Allied Prod.	457.85	492.71	427.96	41.1	41.3	38.8	11.14	11.93	11.03

CHATTANOOGA MSA UNEMPLOYMENT RATES

(Not Seasonally Adjusted)



JOHNSON CITY, KINGSPORT AND BRISTOL MSA

For the second month in a row, total nonagricultural employment at 168,200 reached a record level in the Tri-Cities MSA. During December, record levels of employment were also set in manufacturing which increased to 55,800 and nonmanufacturing which increased to 112,400.

Over the year seventy-five percent of the increase in nonagricultural employment (+2,800) occurred in the manufacturing sector (+2,100). Services experienced the largest monthly increase of 400 jobs and the largest yearly increase of 1,900 jobs, reaching a record level of 32,000.

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands)*

INDUSTRY	December 1987	November 1988	December 1988	Net Change Dec. 1987 to Dec. 1988	Net Change Nov. 1988 to Dec. 1988
TOTAL	165.4	167.3	168.2	2.8	0.9
Manufacturing	53.7	55.3	55.8	2.1	0.5
Durable Goods	21.4	22.5	22.6	1.2	0.1
Lumber & Wood Products and Furniture & Fixtures	2.1	2.3	2.3	0.2	0.0
Stone, Clay, Glass, & Concrete	2.4	2.5	2.6	0.2	0.1
Fabricated Metal Products	2.4	2.2	2.2	-0.2	0.0
Machinery and Trans. Equipment	10.0	11.2	11.1	1.1	-0.1
All Other Durable Goods	4.5	4.3	4.4	-0.1	0.1
Nondurable Goods	32.3	32.8	33.2	0.9	0.4
Food & Kindred Products	2.5	2.6	2.7	0.2	0.1
Textile Mill Products	2.7	2.6	2.6	-0.1	0.0
Apparel Products	5.0	5.0	5.0	0.0	0.0
Paper & Allied Products and Printing, Publishing, Allied Ind.	6.0	6.3	6.4	0.4	0.1
All Other Nondurable Goods	16.1	16.3	16.5	0.4	0.2
Nonmanufacturing	111.7	112.0	112.4	0.7	0.4
Mining	0.3	0.3	0.3	0.0	0.0
Construction	7.5	6.8	6.6	-0.9	-0.2
Trans., Communication, & Utilities	6.1	6.1	6.2	0.1	0.1
Trade	37.7	37.3	37.5	-0.2	0.2
Wholesale Trade	6.3	6.4	6.4	0.1	0.0
Retail Trade	31.4	30.8	31.1	-0.3	0.3
Finance, Insurance,& Real Estate	5.4	5.6	5.6	0.2	0.0
Services	30.1	31.6	32.0	1.9	0.4
Government	24.7	24.3	24.2	-0.5	-0.1
Federal	4.1	4.2	4.1	0.0	-0.1
State & Local	20.5	20.2	20.0	-0.5	-0.2
State	5.5	5.4	5.4	-0.1	0.0
Local	15.0	14.8	14.7	-0.3	-0.1

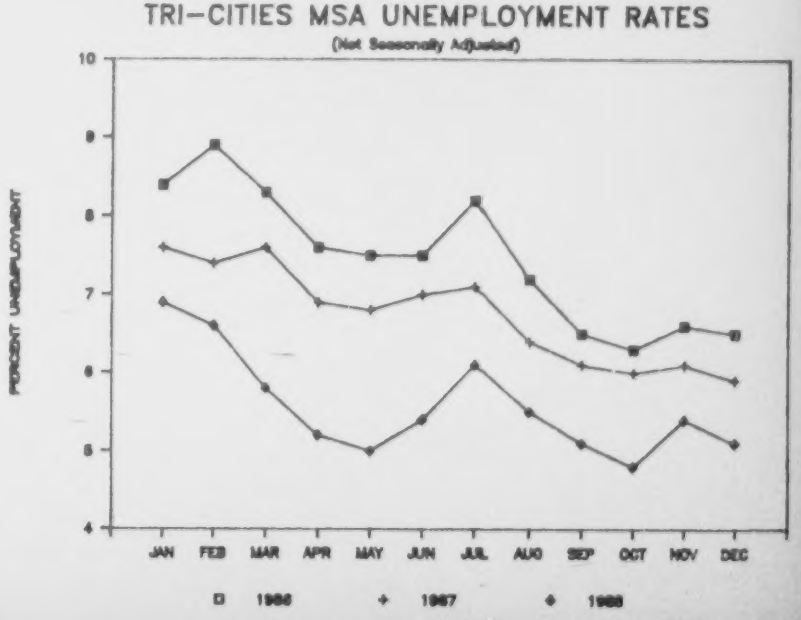
Includes Washington, Carter, Unicoi, Sullivan, and Hawkins counties in Tennessee and Washington County, Scott County, and Bristol City in Virginia.

* Data include all full- and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS — TRI-CITIES MSA

	Average Weekly Earnings Dec. 1987	Average Weekly Earnings Nov. 1988	Average Weekly Earnings Dec. 1988	Average Weekly Hours Dec. 1987	Average Weekly Hours Nov. 1988	Average Weekly Hours Dec. 1988	Average Hourly Earnings Dec. 1987	Average Hourly Earnings Nov. 1988	Average Hourly Earnings Dec. 1988
All Manufacturing	415.19	405.57	433.02	44.5	43.1	45.2	9.33	9.41	9.58
Durable Goods	429.13	386.46	392.08	49.1	45.2	46.9	8.74	8.55	8.36
Fabricated Metal Prod.	486.86	358.39	356.40	44.3	37.1	40.0	10.99	9.66	8.91
Machinery & Trans. Equip.	499.59	445.41	459.68	54.6	49.0	52.0	9.15	9.09	8.84
Nondurable Goods	407.41	419.92	460.51	41.7	41.7	43.9	9.77	10.07	10.49
Food & Kindred Products	355.94	358.80	392.91	38.9	41.1	43.9	9.15	8.73	8.95
Apparel Products	202.29	178.00	187.36	37.6	34.1	36.1	5.38	5.22	5.19



KNOXVILLE MSA

During December, total nonagricultural employment in the Knoxville MSA decreased by 2,700 jobs to 249,400. This figure was only 100 less than the December 1987 level of 249,500. Manufacturing employment increased slightly by 200 jobs over the month to 51,200. The largest increase of 300 jobs occurred in the apparel industry with no other industry reporting a change greater than 100. Nonmanufacturing employment decreased by 2,800 jobs over the month and by 200 jobs over the year to 198,300. The largest monthly decreases occurred in retail trade (–1,200), construction (–700), and services (–600), due to seasonal factors.

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands)*

INDUSTRY	December 1987	November 1988	December 1988	Net Change Dec. 1987 to Dec. 1988	Net Change Nov. 1988 to Dec. 1988
TOTAL	249.5	252.1	249.4	-0.1	-2.7
Manufacturing	50.9	51.0	51.2	0.3	0.2
Durable Goods	29.2	29.8	29.9	0.7	0.1
Lumber & Wood Products	2.2	1.5	1.6	-0.6	0.1
Furniture & Fixtures	2.2	2.5	2.5	0.3	0.0
Stone, Clay, Glass, & Concrete	1.6	1.7	1.7	0.1	0.0
Machinery, Except Electrical	2.8	2.9	3.0	0.2	0.1
All Other Durable Goods	20.4	21.2	21.1	0.7	-0.1
Nondurable Goods	21.7	21.2	21.3	-0.4	0.1
Food & Kindred Products	4.2	4.4	4.3	0.1	-0.1
Textile Mill Products	2.9	2.3	2.2	-0.7	-0.1
Apparel Products	8.9	8.9	9.2	0.3	0.3
Printing, Publishing, & Allied Ind.	2.7	2.6	2.6	-0.1	0.0
All Other Nondurable Goods	3.1	3.0	3.0	-0.1	0.0
Nonmanufacturing	198.5	201.1	198.3	-0.2	-2.8
Mining	1.9	1.8	1.8	-0.1	0.0
Construction	12.0	11.4	10.7	-1.3	-0.7
Transp, Communication, & Utilities	10.0	10.1	9.9	-0.1	-0.2
Trade	62.4	65.0	63.7	1.3	-1.3
Wholesale Trade	14.1	14.4	14.3	0.2	-0.1
Wholesale Durable Goods	8.7	8.9	8.9	0.2	0.0
Wholesale Nondurable Goods	5.3	5.5	5.4	0.1	-0.1
Retail Trade	48.3	50.6	49.4	1.1	-1.2
Finance, Insurance, & Real Estate	9.6	9.6	9.8	0.2	0.2
Services	51.4	53.0	52.4	1.0	-0.6
Government	51.2	50.2	50.0	-1.2	-0.2
Federal	9.5	7.1	7.0	-2.5	-0.1
State & Local	41.7	43.2	43.1	1.4	-0.1
State	20.2	21.3	21.2	1.0	-0.1
Local	21.5	21.9	21.9	0.4	0.0

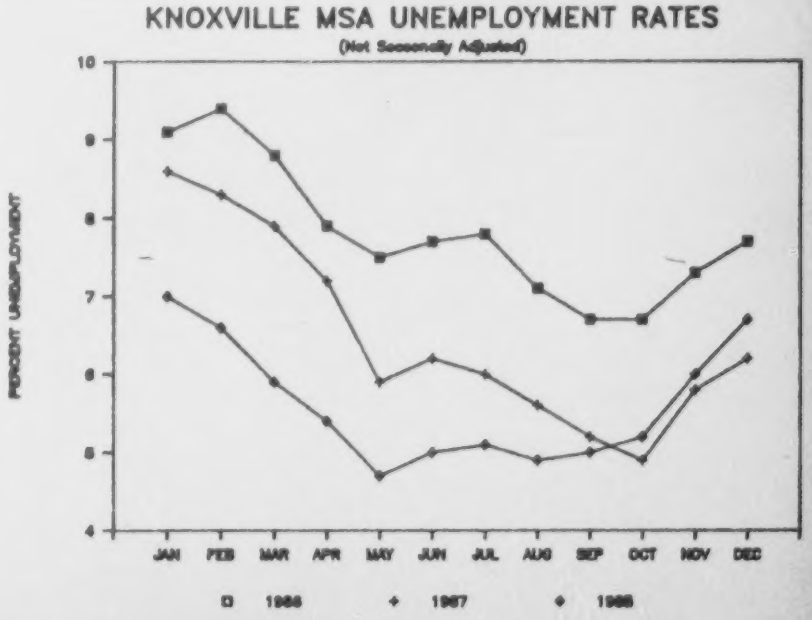
Includes Anderson, Blount, Grainger, Jefferson, Knox, Sevier, and Union counties.

* Data include all full- and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS — KNOXVILLE MSA

	Average Weekly Earnings Dec. 1987	Average Weekly Earnings Nov. 1988	Average Weekly Earnings Dec. 1988	Average Weekly Hours Dec. 1987	Average Weekly Hours Nov. 1988	Average Weekly Hours Dec. 1988	Average Hourly Earnings Dec. 1987	Average Hourly Earnings Nov. 1988	Average Hourly Earnings Dec. 1988
All Manufacturing	338.37	351.25	350.40	43.2	39.6	40.0	8.99	8.87	8.76
Durable Goods	451.58	408.00	403.51	43.8	40.8	40.8	10.31	10.00	9.89
Stone, Clay, Glass, & Conc.	362.53	313.12	319.55	42.5	38.0	38.5	8.53	8.24	8.30
Machinery, Except Elect.	417.05	368.58	397.83	44.7	41.6	44.5	9.33	8.86	8.94
Nondurable Goods	310.55	276.64	280.41	42.6	38.0	39.0	7.29	7.28	7.19
Food & Kindred Products	281.82	280.77	294.47	36.6	38.2	38.9	7.70	7.35	7.57
Textile Mill Products	295.61	259.84	271.74	48.7	38.1	42.0	6.07	6.82	6.47
Apparel Products	280.96	247.50	246.27	41.5	37.5	38.3	6.77	6.60	6.43



MEMPHIS MSA

During December, total nonagricultural employment in the Memphis MSA decreased by 400 jobs to 436,500. This figure was 4,400 greater than the December 1987 level of 432,100. Manufacturing employment decreased by 700 jobs during the month but increased by 500 jobs over the year to 52,800. The largest monthly decrease occurred in the paper and allied products industry (–800) due to seasonal factors. Nonmanufacturing employment increased slightly by 300 jobs during the month but increased by 3,900 jobs over the year to 383,700. The largest monthly increases were reported in retail trade (+700) and in transportation, communication, and public utilities (+300), both of which reached record levels of employment.

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands) *

INDUSTRY	December 1987	November 1988	December 1988	Net Change Dec. 1987 to Dec. 1988	Net Change Nov. 1988 to Dec. 1988
TOTAL	432.1	436.9	436.5	4.4	-0.4
Manufacturing	52.3	53.5	52.8	0.5	-0.7
Durable Goods	22.6	22.8	23.0	0.4	0.2
Lumber & Wood Products	2.6	2.7	2.7	0.1	0.0
Sawmills & Planing Mills	1.0	1.0	1.0	0.0	0.0
Furniture & Fixtures	1.9	1.9	1.9	0.0	0.0
Fabricated Metal Products	5.4	5.1	5.2	-0.2	0.1
Machinery, Except Electrical	3.9	4.1	4.1	0.2	0.0
Electrical & Electronic Machinery	2.4	2.5	2.5	0.1	0.0
All Other Durable Goods	6.4	6.5	6.6	0.2	0.1
Nondurable Goods	29.7	30.7	29.8	0.1	-0.9
Food & Kindred Products	8.2	8.1	8.0	-0.2	-0.1
Bakery Products	1.3	1.4	1.4	0.1	0.0
Apparel Products	2.1	2.0	1.9	-0.2	-0.1
Paper & Allied Products	5.8	6.4	5.6	-0.2	-0.8
Printing, Publishing, & Allied Ind.	5.2	5.4	5.4	0.2	0.0
Chemicals & Allied Products	6.6	6.9	7.0	0.4	0.1
All Other Nondurable Goods	1.8	1.9	1.9	0.1	0.0
Nonmanufacturing	379.8	383.4	383.7	3.9	0.3
Mining	0.1	0.1	0.1	0.0	0.0
Construction	20.6	20.2	20.1	-0.5	-0.1
Trans., Communication, & Utilities	39.6	40.8	41.1	1.5	0.3
Trade	121.9	121.3	122.0	0.1	0.7
Wholesale Trade	37.8	37.5	37.5	-0.3	0.0
Wholesale Durable Goods	23.0	22.9	22.9	-0.1	0.0
Wholesale Nondurable Goods	14.8	14.6	14.6	-0.2	0.0
Retail Trade	84.1	83.8	84.5	0.4	0.7
Finance, Insurance, & Real Estate	24.7	25.1	25.1	0.4	0.0
Services	99.3	101.4	101.3	2.0	-0.1
Government	73.6	74.4	74.0	0.4	-0.4
Federal	18.0	18.0	17.6	-0.4	-0.4
State & Local	55.6	56.4	56.4	0.8	0.0
State	14.0	14.1	14.0	0.0	-0.1
Local	41.6	42.3	42.4	0.8	0.1

Includes Shelby and Tipton counties in Tennessee and Crittendon County in Arkansas.

* Data include all full- and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

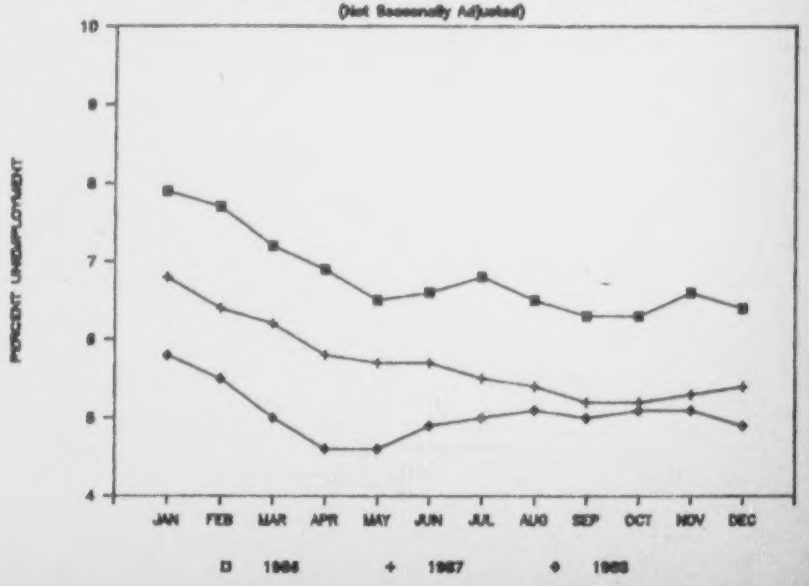
Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS — MEMPHIS MSA

	Average Weekly Earnings Dec. 1987	Average Weekly Earnings Nov. 1988	Average Weekly Earnings Dec. 1988	Average Weekly Hours Dec. 1987	Average Weekly Hours Nov. 1988	Average Weekly Hours Dec. 1988	Average Hourly Earnings Dec. 1987	Average Hourly Earnings Nov. 1988	Average Hourly Earnings Dec. 1988
All Manufacturing	399.11	378.36	377.52	43.1	41.9	41.9	9.26	9.03	9.01
Durable Goods	344.83	330.34	328.28	41.1	39.8	39.6	8.39	8.30	8.29
Lumber & Wood Products	238.40	211.04	227.26	42.9	39.3	40.8	5.57	5.37	5.57
Furniture & Fixtures	209.88	228.33	230.26	36.5	38.7	39.7	5.75	5.90	5.80
Nondurable Goods	452.80	422.23	422.40	45.1	43.8	44.0	10.04	9.64	9.60
Food & Kindred Products	495.90	395.15	402.26	47.5	44.7	49.6	10.44	8.84	8.11
Paper & Allied Products	550.72	487.29	576.41	52.4	46.9	51.1	10.51	10.39	11.28
Chemicals & Allied Prod.	559.08	527.14	485.96	47.1	45.6	40.7	11.87	11.56	11.94

MEMPHIS MSA UNEMPLOYMENT RATES

(Not Seasonally Adjusted)



NASHVILLE MSA

During December, total nonagricultural employment in the Nashville MSA increased by 1,000 jobs to 466,300. This figure was 3,800 less than the December 1987 figure of 470,100. Manufacturing employment increased by 400 jobs over the month to 88,300. The largest increase of 200 jobs was reported in food and kindred products due to seasonal factors. Nonmanufacturing employment increased by 600 jobs over the month to 378,000 but decreased by 3,900 jobs over the year. Construction experienced the largest increase of 300 jobs.

ESTIMATED NONAGRICULTURAL EMPLOYMENT (in thousands) *

INDUSTRY	December 1987	November 1988	December 1988	Net Change Dec. 1987 to Dec. 1988	Net Change Nov. 1988 to Dec. 1988
TOTAL	470.1	465.3	466.3	-3.8	1.0
Manufacturing	88.2	87.9	88.3	0.1	0.4
Durable Goods	49.1	48.7	49.0	-0.1	0.3
Lumber & Wood Products	2.5	2.4	2.4	-0.1	0.0
Furniture & Fixtures	4.6	4.7	4.8	0.2	0.1
Fabricated Metal Products	8.0	8.3	8.4	0.4	0.1
Machinery	14.8	15.9	15.9	1.1	0.0
Transportation Equipment	11.1	9.1	9.1	-2.0	0.0
All Other Durable Goods	8.1	8.3	8.4	0.3	0.1
Nondurable Goods	39.1	39.2	39.3	0.2	0.1
Food & Kindred Products	7.0	7.2	7.4	0.4	0.2
Textile Mill Products	1.7	1.6	1.7	0.0	0.1
Apparel Products	3.7	2.9	2.8	-0.9	-0.1
Printing, Publishing, & Allied Ind.	14.0	14.6	14.4	0.4	-0.2
Petroleum and Rubber	5.1	5.4	5.5	0.4	0.1
Leather & Leather Products	2.0	1.9	1.8	-0.2	-0.1
All Other Nondurable Goods	5.6	5.6	5.7	0.1	0.1
Nonmanufacturing	381.9	377.4	378.0	-3.9	0.6
Mining	0.7	0.6	0.6	-0.1	0.0
Construction	26.8	24.6	24.9	-1.9	0.3
Trans., Communication, & Utilities	24.1	24.1	24.1	0.0	0.0
Trade	116.6	112.3	112.3	-4.3	0.0
Wholesale Trade	30.7	31.3	31.1	0.4	-0.2
Wholesale Durable Goods	18.6	18.4	18.4	-0.2	0.0
Wholesale Nondurable Goods	12.1	12.8	12.7	0.6	-0.1
Retail Trade	86.0	81.0	81.2	-4.8	0.2
Finance, Insurance, & Real Estate	33.4	33.2	33.4	0.0	0.2
Services & Miscellaneous	112.2	112.4	112.6	0.4	0.2
Government	68.3	70.2	70.1	1.8	-0.1
Federal	10.8	11.0	10.9	0.1	-0.1
State & Local	57.5	59.2	59.2	1.7	0.0
State	23.5	23.8	23.8	0.3	0.0
Local	34.0	35.4	35.4	1.4	0.0

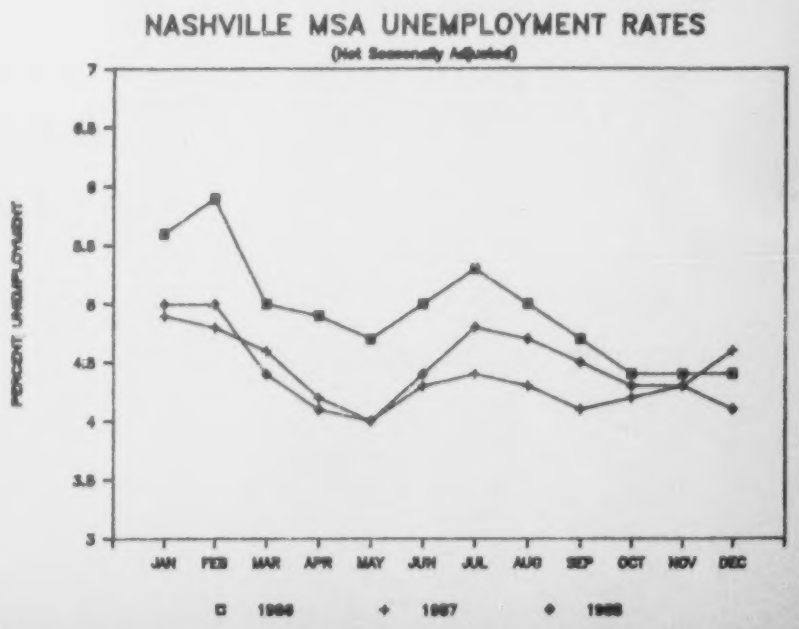
Includes Cheatham, Davidson, Dickson, Robertson, Rutherford, Sumner, Williamson, and Wilson counties.

*Data include all full- and part-time nonagricultural wage and salary employees who worked during, or received pay for, any part of the pay period which includes the 12th of the month. This is a count of jobs by place of work. Agricultural workers, proprietors, self-employed persons, workers in private households, and unpaid family workers are excluded.

Numbers may not add due to rounding.

HOURS AND EARNINGS OF PRODUCTION WORKERS — NASHVILLE MSA

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec. 1987	Nov. 1988	Dec. 1988	Dec. 1987	Nov. 1988	Dec. 1988	Dec. 1987	Nov. 1988	Dec. 1988
All Manufacturing	460.51	442.68	453.03	43.2	42.2	42.3	10.66	10.49	10.71
Durable Goods	484.92	457.21	469.62	42.8	42.1	42.5	11.33	10.86	11.05
Nondurable Goods	423.55	420.89	428.22	43.8	42.3	41.9	9.67	9.95	10.22
Food & Kindred Products	426.28	428.81	422.09	42.5	40.8	41.3	10.03	10.51	10.22
Printing & Publishing	444.70	429.55	435.94	41.6	40.6	41.4	10.69	10.58	10.53



U.S. CONSUMER PRICE INDEX

Group	All urban consumers			Wage earners & clerical workers		
	UNITED STATES	Unadjusted percent change to Dec. 1988 from		UNITED STATES	Unadjusted percent change to Dec. 1988 from	
		Dec. 1987	Nov. 1988		Dec. 1987	Nov. 1988
All items (1982-84=100)...	120.5	4.4	0.2	119.2	4.4	0.2
All items (1967=100).....	360.9	-	-	356.0	-	-
Food and beverages.....	120.6	5.1	0.3	120.3	5.1	0.3
Food.....	120.7	5.2	0.4	120.4	5.2	0.4
Food at home.....	119.1	5.6	0.3	118.8	5.6	0.3
Food away from home....	124.1	4.6	0.3	124.0	4.4	0.4
Alcoholic beverages.....	119.9	3.9	0	119.5	3.8	0
Housing.....	120.2	4.0	0.3	118.9	3.9	0.2
Shelter.....	129.3	4.5	0.2	126.5	4.4	0.1
Renters' costs 1/.....	134.1	3.9	-0.1	120.0	3.5	-0.1
Rent, residential.....	130.1	.6	0.2	129.7	3.5	0.2
Apparel and upkeep.....	118.0	4.7	-1.6	117.6	4.4	-1.6
Transportation.....	110.8	3.0	0.1	110.4	2.9	0.1
Medical care.....	142.3	6.9	0.4	142.8	7.0	0.4
Entertainment.....	127.8	4.6	0.5	122.2	4.5	0.4
Other goods & services....	141.3	7.0	0.2	140.6	7.1	0.2
Purchasing power of the dollar: 1982-84=$1.00	$.830	-4.2	-0.1	$.839	-4.1	-0.1

Group	All urban consumers			Wage earners & clerical workers		
	ALL ITEMS	Unadjusted percent change to Dec. 1988 from		ALL ITEMS	Unadjusted percent change to Dec. 1988 from	
		Dec. 1987	Nov. 1988		Dec. 1987	Nov. 1988
SOUTH (1982-84=100).....	118.5	3.9	0.2	118.0	4.0	0.2
Less than 50,000 pop.....	116.3	3.3	0	117.0	3.3	0
50,000 - 450,000 pop.....	117.6	4.3	0.2	118.1	4.2	0.2
450,000 - 1,200,000 pop...	119.7	4.5	0.1	117.8	4.5	0.1
1,200,000 or more pop.....	119.2	3.7	0.3	118.4	3.7	0.3
SOUTH (Dec. 1977=100).....	192.2	-	-	191.1	-	-
Less than 50,000 pop.....	188.8	-	-	189.4	-	-
50,000 - 450,000 pop.....	190.3	-	-	191.2	-	-
450,000 - 1,200,000 pop...	195.5	-	-	190.8	-	-
1,200,000 or more pop.....	192.5	-	-	191.8	-	-

1/ Base year is December 1982 for CPI-U, December 1984 for CPI-W.

NOTE: Effective in 1987, the frequency of publication for the Atlanta indexes was changed from bimonthly to semiannual. Because they are based on smaller samples, local area indexes are subject to substantially more sampling and other measurement error than national indexes. BLS strongly urges users to consider the use of national indexes in escalator agreements.

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